

OPENING STATEMENT

HON. BART GORDON (D-TN) Ranking Member, U.S. House Committee on Science

Hearing: *"An Overview of the Federal R&D Budget for Fiscal Year 2007"*
February 15, 2006

Thank you Mr. Chairman. I join you in welcoming our distinguished panel to this morning's hearing. It's good to see you all again. However, I do think it's unfortunate that we have you all here for only one day of hearings.

I'm afraid that this committee is once again acquiescing its oversight responsibilities by not holding individual hearings for each of the 5 important agencies in front of us today.

The good news in this budget request is the proposed increase in Federal R&D. The bad news is that that increase is less than the projected rate of inflation. So, once again, we are investing less than the rate of inflation at a time when many of our international competitors are increasing their investment in science and technology at faster rates than ever before.

Even more alarming is the fact that the Administration's science and technology investment is actually **decreasing**. The Federal S&T budget is the best method to evaluate research funding. S&T represents the amount of funding directed towards the creation of new knowledge and technologies as opposed to development activities.

Dr. Marburger himself has stated that federal R&D is an imperfect measure for evaluating science and technology funding and most agree that S&T is the correct metric.

A lot of numbers will get thrown around this morning to put a pretty face on the budget but the fact of the matter is that the Administration's own Table 5-2 clearly shows a 1% decrease for Federal S&T investment for FY07.

Table 5-2. FEDERAL SCIENCE AND TECHNOLOGY BUDGET
(Budget authority, dollar amounts in millions)

	2005 Actual	2006 Estimate	2007 Proposed	Dollar Change 2006 to 2007	Percent Change 2006 to 2007
By Agency					
National Institutes of Health¹	28,444	28,410	28,428	18	0%
NASA	8,128	7,680	7,073	-607	-8%
Science	5,502	5,254	5,330	76	1%
Aeronautics	962	884	724	-160	-18%
Exploration Systems ²	1,664	1,542	1,019	-523	-34%
Energy³	5,642	5,636	6,155	519	9%
Science Programs	3,600	3,596	4,102	506	14%
Electricity Transmission & Distribution	101	136	96	-40	-29%
Nuclear Energy	393	416	559	143	34%
Energy Efficiency and Renewable Energy Resources ⁴	976	896	933	37	4%
Fossil Energy ⁵	572	592	465	-127	-21%
National Science Foundation	5,472	5,581	6,020	439	8%
Defense	6,273	6,628	5,900	-728	-11%
Basic Research	1,485	1,470	1,422	-48	-3%
Applied Research	4,788	5,158	4,478	-680	-13%
Agriculture	2,111	2,160	1,921	-239	-11%
CSREES Research and Education ⁶	659	675	569	-106	-16%
Economic Research Service	74	75	83	8	11%
Agricultural Research Service ⁷	1,102	1,131	1,001	-130	-11%
Forest Service: Forest and Rangeland Research	276	279	268	-11	-4%
Interior (USGS)	935	962	945	-17	-2%
Commerce	855	938	873	-65	-7%
NOAA: Oceanic & Atmospheric Research	404	370	338	-32	-9%
NIST Intramural Research and Facilities	451	568	535	-33	-6%
Environmental Protection Agency⁸	780	761	816	55	7%
Veterans Affairs⁹	743	765	765		
Transportation	542	567	598	31	5%
Highway research: Federal Highway Administration	411	430	468	38	9%
Federal Aviation Administration: Research, Engineering, and Development	131	137	130	-7	-5%
Education	355	342	342		
Special Education Research and Innovation	83	72	72		
National Institute on Disability and Rehabilitation Research	108	107	107		
Research, Development, and Dissemination ¹⁰	164	163	163		
Total	60,280	60,430	59,836	-594	-1%



Knowing that fact and being aware of Dr. Marburger's statements in recent budget briefings, in the spirit of the Olympics, I'd like nominate Dr. Marburger for a gold medal in the category of statistical gymnastics for making a 1% decrease look like a 1% increase despite the fact that it's almost \$600 million less than FY06 funding and \$1 billion less than what the Administration requested last year, according to their own budget documents.

So, in the same breath, the Administration decries earmarks in last year's budget but then counts earmarks when showing how much the S&T budget has increases during their administration from 2001-2007.

As for NSF FY07 funding, I'm glad that the Administration has proposed an 8% increase. In 2002, the Congress passed, and this President signed into law, an authorization bill doubling NSF funding over five years. However, the President's requests for NSF since that signing ceremony are still \$3.8 billion short of their commitment.

When we dig deeper we find, at least in my opinion, misguided priorities. I was very disappointed to see a continued de-emphasis of K-12 science education at NSF. Even as the NSF budget grows, the Administration proposes a 7% cut to K-12 programs.

NSF has been a leader in improving science and math education for over 50 years. I do not understand how ignoring NSF's expertise in the education component of the President's initiative helps competitiveness.

From my point of view competitiveness is about keeping our good jobs and creating even more and better jobs. Yet, the Administration proposed to cut Manufacturing Extension Partnership (MEP) funding by 56%. MEP is the only Federal program designed specifically to assist small manufacturers. MEP is the only program with a proven track record in creating and retaining manufacturing jobs right now. We have lost 2.8 million manufacturing jobs since 2001. This last year alone, we lost another 55,000 manufacturing jobs.

I don't see how cutting MEP 56%, and NIST overall by 23%, increases American competitiveness. The bipartisan National Association of Governors has wholeheartedly endorsed MEP.

So yes, there are winners - but unfortunately there are too many losers.

That's the reason we have hearings and hopefully as we go through the legislative process we be able to realign some of these priorities in ways that increase our nation's competitive edge.

As people become more familiar with the Augustine Report, they will recognize that when we talk about science funding, it's more than just welfare for people in lab coats looking through microscopes. It's not an academic exercise - knowledge for the sake of knowledge - it's about jobs, competing in the global market and our kids and our grandkids' standard of living.

As the Augustine Commission pointed out, "The thrust of our findings is straightforward. The standard of living of Americans in the years ahead will depend to a very large degree on the quality of the jobs that they are able to hold. Without quality jobs our citizens will not have the purchasing power to support the standard of living which they seek, and to which many have become accustomed; tax revenues will not be generated to provide for strong national security and healthcare; and the lack of a vibrant domestic consumer market will provide a *disincentive* for either U.S. or foreign companies to invest in jobs in America."

That means we must invest in S&T. But I'm afraid this budget simply does not make an adequate investment.

However, bipartisan legislation in the Senate includes many of the recommendations of the Augustine commission. I also have introduced legislation that will incorporate the education and energy recommendations of the report.

I hope we can mount a bipartisan, bicameral effort together with executive branch cooperation to improve this budget into something that truly helps our nation remain strong economically now and long into the future.

Thank you and I yield back to the Chairman.